

**Community Development Administration  
Revenue Obligation Funds**

**Component unit financial statements**

**As of June 30, 2000**

**Together with report of independent public accountants**





## Report of independent public accountants

To the Office of the Secretary of the  
Department of Housing and Community Development:

We have audited the accompanying balance sheets of the Community Development Administration Revenue Obligation Funds (the Funds) (a component unit of the State of Maryland) as of June 30, 2000, and the related statements of revenues, expenses and changes in fund equity and cash flows for the year then ended. These financial statements are the responsibility of the Funds' management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Community Development Administration Revenue Obligation Funds as of June 30, 2000, and the results of their operations and their cash flows for the year then ended in conformity with accounting principles generally accepted in the United States.

Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The change in fair value of investments held on June 30, 2000 supplementary information on page 23 is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information has not been subjected to the auditing procedures applied in our audits of the basic financial statements and, accordingly, we express no opinion on it.

A handwritten signature in black ink that reads "Arthur Andersen LLP". The signature is written in a cursive, flowing style.

Baltimore, Maryland  
September 22, 2000

# Community Development Administration Revenue Obligation Funds

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**Community Development Administration  
Revenue Obligation Funds**

**Balance sheets  
As of June 30, 2000  
(in thousands)**

	<u>Single-Family Program Fund</u>	<u>Multi-Family Housing Revenue Bond Program Fund</u>	<u>Housing Revenue Bond Program Fund</u>	<u>Residential Revenue Bond Program Fund</u>	<u>General Bond Reserve Fund</u>	<u>Total (memorandum only)</u>
<b>Assets:</b>						
Cash on deposit with trustee	\$ 42,688	\$ 49,302	\$ 41,832	\$ 14,227	\$ 18,759	\$ 166,808
Investments	285,890	36,928	24,428	397,893	16,924	762,063
Mortgage-backed securities	—	28,162	79,568	—	—	107,730
Mortgage loans—						
Single-family	968,230	—	1,102	386,861	170	1,356,363
Multi-family construction and permanent Energy and rehabilitation	—	271,366	114,513	—	—	385,879
	—	—	—	—	2,086	2,086
Accrued interest and other receivables, net	26,777	3,578	1,753	7,931	1,005	41,044
Deferred bond issuance costs	10,716	2,775	1,007	5,482	—	19,980
Due from other funds	20,068	—	—	—	—	20,068
Total assets	<u>\$ 1,354,369</u>	<u>\$ 392,111</u>	<u>\$ 264,203</u>	<u>\$ 812,394</u>	<u>\$ 38,944</u>	<u>\$ 2,862,021</u>
<b>Liabilities and fund equity:</b>						
Accrued interest payable	\$ 17,852	\$ 2,729	\$ 6,529	\$ 11,267	\$ —	\$ 38,377
Accounts payable	3,170	66	105	463	929	4,733
Accrued workers' compensation	—	—	—	—	46	46
Accrued annual leave costs	—	—	—	—	408	408
Due to State Treasurer	—	—	—	—	924	924
Bonds payable	1,210,531	326,534	222,365	762,036	—	2,521,466
Other liabilities - principally deposits by borrowers	—	19,227	24,195	—	470	43,892
Due to other funds	—	—	—	20,068	—	20,068
Total liabilities	1,231,553	348,556	253,194	793,834	2,777	2,629,914
<b>Commitments and contingencies</b>						
Fund equity	122,816	43,555	11,009	18,560	36,167	232,107
Total liabilities and fund equity	<u>\$ 1,354,369</u>	<u>\$ 392,111</u>	<u>\$ 264,203</u>	<u>\$ 812,394</u>	<u>\$ 38,944</u>	<u>\$ 2,862,021</u>

The accompanying notes are an integral part of these balance sheets.

**Community Development Administration  
Revenue Obligation Funds**

**Statements of revenues, expenses and changes in fund equity  
For the year ended June 30, 2000  
(in thousands)**

	Single-Family Program Fund	Multi-Family Housing Revenue Bond Program Fund	Housing Revenue Bond Program Fund	Residential Revenue Bond Program Fund	General Bond Reserve Fund	Total (memorandum only)
<b>Revenues:</b>						
Interest on mortgage loans	\$ 71,215	\$ 22,945	\$ 9,380	\$ 17,195	\$ 199	\$ 120,934
Interest on mortgage-backed securities	—	2,220	4,432	—	—	6,652
Interest on investments	23,214	4,982	2,695	15,736	2,023	48,650
Other income	52	286	115	78	154	685
Loan fees	994	350	36	87	518	1,985
Increase (decrease) in fair value of investments	(874)	(154)	48	(227)	(237)	(1,444)
Decrease in fair value of mortgage-backed securities	—	(452)	(3,825)	—	—	(4,277)
Total revenues	<u>94,601</u>	<u>30,177</u>	<u>12,881</u>	<u>32,869</u>	<u>2,657</u>	<u>173,185</u>
<b>Expenses:</b>						
Interest on bonds payable	78,446	23,359	12,068	26,712	—	140,585
Salaries and related costs	—	—	—	—	5,719	5,719
Trustee, legal and mortgage servicing costs	4,838	219	37	942	348	6,384
Amortization of bond issuance costs	549	106	46	302	—	1,003
Other expense	1,636	24	174	911	587	3,332
Loss on foreclosure claims	1,114	—	—	—	—	1,114
General and administrative	—	—	—	—	1,857	1,857
Total expenses	<u>86,583</u>	<u>23,708</u>	<u>12,325</u>	<u>28,867</u>	<u>8,511</u>	<u>159,994</u>
Income (loss) before extraordinary item	8,018	6,469	556	4,002	(5,854)	13,191
<b>Extraordinary item – loss on early extinguishment of bonds payable</b>	<u>(1,584)</u>	<u>(231)</u>	<u>(81)</u>	<u>(62)</u>	<u>—</u>	<u>(1,958)</u>
Net income (loss)	6,434	6,238	475	3,940	(5,854)	11,233
Transfers of funds, net at CDA's discretion, in accordance with the General Certificate of Revenue Bond Authorization and the Certificate of General Authorization	(2,840)	(3,903)	(1,995)	755	8,519	536
<b>Fund equity, beginning of year</b>	<u>119,222</u>	<u>41,220</u>	<u>12,529</u>	<u>13,865</u>	<u>33,502</u>	<u>220,338</u>
<b>Fund equity, end of year</b>	<u>\$ 122,816</u>	<u>\$ 43,555</u>	<u>\$ 11,009</u>	<u>\$ 18,560</u>	<u>\$ 36,167</u>	<u>\$ 232,107</u>

The accompanying notes are an integral part of these statements.

**Community Development Administration  
Revenue Obligation Funds**

**Statements of cash flows  
For the year ended June 30, 2000  
(in thousands)**

	Single-Family Program Fund	Multi-Family Housing Revenue Bond Program Fund	Housing Revenue Bond Program Fund	Residential Revenue Bond Program Fund	General Bond Reserve Fund	Total (memorandum only)
<b>Cash flows from operating activities:</b>						
Net income (loss)	\$ 6,434	\$ 6,238	\$ 475	\$ 3,940	\$ (5,854)	\$ 11,233
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities—						
Decrease (increase) in fair value on investments	1,536	154	(48)	227	237	2,106
Decrease in fair value of mortgage-backed securities	—	452	3,825	—	—	4,277
Purchase of mortgage-backed securities	—	—	(15,698)	—	—	(15,698)
Purchase and origination of mortgage loans	(2,998)	—	(7,889)	(218,931)	—	(229,818)
Interest on investments	(23,214)	(4,982)	(2,695)	(15,736)	(2,023)	(48,650)
Repayment of mortgage-backed securities	—	184	300	—	—	484
Repayment of mortgage loans	117,644	27,700	5,756	5,528	260	156,888
Transfer of deferred fees	—	(97)	97	—	—	—
Increase in other deferred income	—	—	127	—	—	127
Increase in accrued interest and other receivables	(4,165)	(254)	(156)	(3,195)	(484)	(8,254)
Decrease in due from other funds	6,527	—	267	—	22	6,816
Decrease in accrued liabilities	—	—	—	—	(25)	(25)
Decrease in due to State Treasurer	—	—	—	—	(723)	(723)
Increase (decrease) in accounts payable	1,592	38	(56)	(9)	(433)	1,132
Deferred loan fees collected	74	—	368	1,683	—	2,125
Decrease in due to other funds	(22)	—	—	(6,527)	(267)	(6,816)
(Decrease) increase in accrued and other liabilities	—	(466)	49	—	(5)	(422)
Transfers of funds	(2,840)	(3,903)	(1,995)	755	8,519	536
Amortization of investment premiums or discounts	257	46	4	(57)	(46)	204
Amortization of deferred loan fees	(994)	(330)	(32)	(87)	(14)	(1,457)
Amortization of deferred bond issuance costs	549	106	46	302	—	1,003
Interest expense	78,446	23,359	12,068	26,712	—	140,585
Net cash provided by (used in) operating activities	<u>178,826</u>	<u>48,245</u>	<u>(5,187)</u>	<u>(205,395)</u>	<u>(836)</u>	<u>15,653</u>

The accompanying notes are an integral part of these statements.

**Community Development Administration  
Revenue Obligation Funds**

**Statements of cash flows  
For the year ended June 30, 2000  
(Continued)  
(in thousands)**

	Single-Family Program Fund	Multi-Family Housing Revenue Bond Program Fund	Housing Revenue Bond Program Fund	Residential Revenue Bond Program Fund	General Bond Reserve Fund	Total (memorandum only)
<b>Cash flows from investing activities:</b>						
Proceeds from maturity and sale of investments	\$ 190,555	\$ —	\$ 14,934	\$ 384,614	\$ 11,982	\$ 602,085
Purchase of investments	(168,923)	(4,320)	(18,108)	(469,431)	(9,892)	(670,674)
Transfer of investments	45,908	—	—	(45,908)	—	—
Interest on investments	23,214	4,982	2,695	15,736	2,023	48,650
Net cash provided by (used in) investing activities	<u>90,754</u>	<u>662</u>	<u>(479)</u>	<u>(114,989)</u>	<u>4,113</u>	<u>(19,939)</u>
<b>Cash flows from noncapital financing activities:</b>						
Proceeds from the sale of bonds	32,600	—	30,925	464,751	—	528,276
Principal payments	(236,818)	(31,710)	(12,320)	(107,795)	—	(388,643)
Decrease in deferred bond issuance costs due to redemption of related bonds	952	228	81	63	—	1,324
Bond issuance costs	(282)	—	—	(2,979)	—	(3,261)
Interest payments	<u>(79,473)</u>	<u>(23,354)</u>	<u>(11,026)</u>	<u>(21,243)</u>	<u>—</u>	<u>(135,096)</u>
Net cash (used for) provided by noncapital financing activities	<u>(283,021)</u>	<u>(54,836)</u>	<u>7,660</u>	<u>332,797</u>	<u>—</u>	<u>2,600</u>
<b>Net (decrease) increase in cash on deposit with trustee</b>	<u>(13,441)</u>	<u>(5,929)</u>	<u>1,994</u>	<u>12,413</u>	<u>3,277</u>	<u>(1,686)</u>
<b>Cash on deposit with trustee, beginning of year</b>	<u>56,129</u>	<u>55,231</u>	<u>39,838</u>	<u>1,814</u>	<u>15,482</u>	<u>168,494</u>
<b>Cash on deposit with trustee, end of year</b>	<u>\$ 42,688</u>	<u>\$ 49,302</u>	<u>\$ 41,832</u>	<u>\$ 14,227</u>	<u>\$ 18,759</u>	<u>\$ 166,808</u>

The accompanying notes are an integral part of these statements.

# Community Development Administration Revenue Obligation Funds

**Notes to financial statements  
June 30, 2000  
(in thousands)**

**1. Program description:**

The Community Development Administration (CDA) was created in 1970 by Sections 266 DD-1 to 266 DD-8 of Article 41 of the Annotated Code of Maryland to meet the shortage of adequate, safe and sanitary housing in the State of Maryland, particularly for persons or families of limited income. CDA is in the Division of Development Finance in the Department of Housing and Community Development (DHCD) of the State of Maryland.

The accompanying financial statements only include CDA's Revenue Obligation Funds (the Funds). CDA's other programs are not included. However, CDA has issued additional statements for the Infrastructure Program Fund.

Within each fund group in Revenue Obligation Funds are separate funds maintained for each obligation in accordance with the respective General Certificates and Series Certificates. The following summarizes each of the fund groups.

Fund	Purpose
Single-Family Program Fund	To originate or purchase single-family mortgage loans.
Multi-Family Housing Revenue Bond Program Fund	To provide construction and permanent financing for multi-family housing projects.
Housing Revenue Bond Program Fund	To provide funds to finance or refinance loans for various types of housing.
Residential Revenue Bond Program Fund	To primarily originate or purchase single-family mortgage loans.
General Bond Reserve Fund	To provide funds for payment of principal and interest on bonds and notes to the extent revenues and assets specifically pledged are not sufficient. This fund also provides for the payment of general and administrative expenses of the Funds.

**2. Summary of significant accounting policies:**

**Basis of presentation**

The accounts are organized on the basis of funds, each of which is a separate accounting entity. The Funds are set up primarily in accordance with CDA's enabling legislation and the various note and bond certificates. The Funds are an enterprise fund of the State of Maryland and use the accrual basis of accounting.

**Investments**

Investments are stated at fair value, based on quoted market prices. The cost of securities sold is determined by the specific identification method.

**Loan fees**

Loan fees are deferred over the life of the related loans and amortized using the effective interest rate method.

**Bond issuance costs**

Expenses incurred in issuing bonds are capitalized and amortized on a straight-line basis over the lives of the respective bond issues.

**Allowance for loan losses**

Substantially all the mortgage loans of the Funds are insured or guaranteed by agencies of the U.S. Government, the Maryland Housing Fund or private insurers. As such, no allowance for loan losses was necessary as of June 30, 2000.

**Administrative support**

In addition to expenses incurred directly by the Funds, CDA receives certain support services from other divisions of DHCD. The cost of these services has been allocated to CDA's General Bond Reserve Fund based on the size and level of activity of the Funds relative to the other programs of CDA and DHCD. The General Bond Reserve Fund records these expenses as invoiced by DHCD for the fiscal year.

For the year ended June 30, 2000, the allocation to the General Bond Reserve Fund was:

Salaries and related costs	\$ 5,719
General and administrative expenses	<u>1,857</u>
	<u>\$ 7,576</u>

The employees of CDA are covered by the Maryland State Retirement and Pension System (the System). Additional information about the System is presented in the State of Maryland's Comprehensive Annual Financial Report and in the Consolidated Annual Report of the Maryland State Retirement and Pension Systems.

The retirement benefit cost of employees is included in the salaries and related costs allocation discussed above. This allocation includes the Funds' total liability, relating to the System, as of June 30, 2000.

**Use of estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses, gains and losses during the reporting period. Actual results could differ from these estimates.

## **Totals**

The totals for all Funds in the accompanying financial statements are presented for information purposes only. They represent an aggregation of the Funds and do not represent consolidated financial information.

### **3. Cash, investments and mortgage-backed securities:**

Proceeds from bonds are invested in authorized investments as defined in the respective indentures until required for financing projects, redemption of outstanding bonds and notes, and funding program expenses. Authorized investments include obligations of the U.S. Treasury, U.S. Government agencies and corporations, political subdivisions of the U.S., bankers acceptances, repurchase agreements, corporate debt securities and certificates of deposit with foreign or domestic banks. All CDA accounts held in trust by the trustee are kept separate from the assets of the bank and from other trust accounts.

#### **Cash**

As of June 30, 2000, the Funds had \$166,808 invested in a money market mutual fund (ARK U.S. Government Cash Management Corporate II Class Fund) which is classified as cash. This fund invests exclusively in obligations of the U.S. Government and its agencies and instrumentalities and in repurchase agreements. It is rated AAAM by Standard & Poor's and Aaa by Moody's Investors Services.

As of June 30, 2000 the cost of this money market mutual fund approximates fair value.

The money market mutual fund is not categorized by credit risk because it is not evidenced by securities that exist in physical or book entry form.

#### **Investments**

As of June 30, 2000, \$3,000 was held in certificates of deposit and is classified as investments in the Single-Family Program Fund. These certificates are insured by federal depository insurance subject to maximum coverage and are collateralized by securities held by the trustee in CDA's name.

Obligations of the U.S. Treasury and obligations of U.S. government agencies are held in CDA's account by the trustee and total \$430,503.

The repurchase agreements also include guaranteed investment contracts and, together, total \$328,560. For \$326,560 of these investments, collateral is held by the trustee of the fund group or its agent. The remaining \$2,000 is uncollateralized. The agreements and contracts are at fixed interest rates with maturities primarily less than two years. However, several agreements within the Single-Family Program Fund, Housing Revenue Bonds Program Fund and the Residential Revenue Bonds Program Fund have maturities ranging up to 32 years.

As of June 30, 2000 the amortized cost and fair value of each Fund's investments, by type of investment, were as follows:

	Certificates and other time deposits		Obligations of the U.S. Treasury		Obligations of U.S. government agencies		Securities held under repurchase agreements or guaranteed investment contracts		Total	
	Fair value	Amortized cost	Fair value	Amortized cost	Fair value	Amortized cost	Fair value	Amortized cost	Fair value	Amortized cost
	Single-Family Program Fund	\$ 3,000	\$ 3,000	\$ 196,075	\$ 161,770	\$ 9,886	\$ 9,829	\$ 76,929	\$ 76,929	\$ 285,890
Multi-Family Housing Revenue Bond Program Fund	—	—	34,928	31,273	—	—	2,000	2,000	36,928	33,273
Housing Revenue Bond Program Fund	—	—	5,670	5,549	—	—	18,758	18,758	24,428	24,307
Residential Revenue Bond Program Fund	—	—	—	—	167,020	167,247	230,873	230,873	397,893	398,120
General Bond Reserve Fund	—	—	7,023	6,525	9,901	9,943	—	—	16,924	16,468
	<u>\$ 3,000</u>	<u>\$ 3,000</u>	<u>\$ 243,696</u>	<u>\$ 205,117</u>	<u>\$ 186,807</u>	<u>\$ 187,019</u>	<u>\$ 328,560</u>	<u>\$ 328,560</u>	<u>\$ 762,063</u>	<u>\$ 723,696</u>

### Mortgage-backed securities

All mortgage-backed securities held by CDA are guaranteed by the Government National Mortgage Association (GNMA), an instrumentality of the United States. A security guaranteed by GNMA is a "fully modified pass through" mortgage-backed security which requires monthly payments by an FHA-approved lender, as the issuer of the Guaranteed Security to the registered holder of the Guaranteed Security of principal of and interest on such Guaranteed Security when due. GNMA guarantees timely payment of principal of and interest on Guaranteed Securities. It is the intention of CDA to hold these securities until the underlying loan is paid in full.

As of June 30, 2000 the cost and fair value of mortgage-backed securities is as follows:

	<u>Fair Value</u>	<u>Cost</u>
Multi-Family Housing Revenue Bond Program Fund	\$ 28,162	\$ 28,614
Housing Revenue Bond Program Fund	<u>79,568</u>	<u>83,393</u>
	<u>\$ 107,730</u>	<u>\$ 112,007</u>

### Category of Risk

Investments and mortgage-backed securities are classified as to credit risk by the three categories described below:

Category 1 – Insured or registered, with securities held by CDA or its agent in CDA's name.

Category 2 – Uninsured and unregistered, with securities held by the counterparty's trust department in CDA's name.

Category 3 – Uninsured and unregulated, with securities held by the counterparty, or by its trust department or agent, but not in CDA's name.

	<b>Category</b>			<b>Fair value</b>
	<b>1</b>	<b>2</b>	<b>3</b>	
U.S. Treasury and agency obligations	\$ 430,503	\$ —	\$ —	\$ 430,503
Repurchase agreements or guaranteed investment contracts	326,560	—	—	326,560
Certificates and other time deposits	3,000	—	—	3,000
<b>Total investments</b>	<b>\$ 760,063</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 760,063</b>
Mortgage-backed securities	\$ 107,730	\$ —	\$ —	\$ 107,730

#### **4. Mortgage loans:**

Substantially all single-family mortgage loans are secured by first liens on the related property and are insured or guaranteed by either the Federal Housing Administration, the Veterans Administration, the Maryland Housing Fund or by private primary mortgage insurance policies. Interest rates on such loans range from 4.0 percent to 13.9 percent, with maturities ranging from 20 to 30 years.

Substantially all multi-family construction and permanent mortgage loans outstanding are insured or credit enhanced by the Federal Housing Administration, the Maryland Housing Fund, Federal Home Loan Mortgage Corporation or GNMA. Interest rates on such loans range from 5.95 percent to 12 percent, with maturities ranging from 5 to 37 years.

Substantially all energy and rehabilitation loans are insured by the Maryland Housing Fund. Loans made or purchased in excess of \$5 are secured by a deed of trust on the related property. Interest rates on such loans range from 7.0 percent on owner-occupied residential properties to 10.0 percent on rental housing and mature over 1 to 11 years.

#### **5. Bonds payable:**

The bonds issued by CDA are special obligations of CDA and are payable from the revenues and special funds of the applicable programs. These bonds and notes do not constitute debt and are not guaranteed by the State of Maryland or any other program of the State of Maryland or any political subdivision.

The following table summarizes the outstanding debt of the Funds, as of June 30, 2000:

**Single-Family Program Fund**

1990 Fourth Series dated July 1, 1990. \$19,595 term bonds due April 1, 2010, with interest at 7.375%.	\$ 19,595
1991 First Series dated March 1, 1991. \$1,605 due serially to 2001, with interest rate of 6.4%; \$6,662 serial capital appreciation bonds, including \$3,123 accreted discount, due from 2002 to 2006 with yield rates of 6.75% to 7.1%; \$9,895 term bonds due April 1, 2011, with interest at 7.25%; \$17,515 term bonds due April 1, 2017 with interest at 7.3%.	35,677
1991 Second Series dated March 1, 1991. \$6,765 term bonds due April 1, 2023, with interest at 7.6%.	6,765
1991 Third Series dated July 1, 1991. \$5,140 due serially from 2001 to 2006, with interest rates of 6.55% to 6.95%; \$6,185 term bonds due April 1, 2011, with interest at 7.15%; \$15,685 term bonds due April 1, 2019, with interest at 7.25%; \$26,375 term bonds due April 1, 2027, with interest at 7.25%.	53,385
1991 Fourth Series dated July 1, 1991. \$3,035 due serially from 2001 to 2006, with interest rates of 6.8% to 7.2%; \$710 term bonds due April 1, 2011, with interest at 7.35%; \$9,360 term bonds due April 1, 2027, with interest at 7.3%.	13,105
1991 Fifth Series dated October 1, 1991. \$11,940 due serially from 2003 to 2006, with interest rates of 6.3% to 6.6%; \$7,200 term bonds due April 1, 2008, with interest at 6.75%; \$12,535 term bonds due April 1, 2011, with interest at 6.85%.	31,675
1991 Sixth Series dated October 1, 1991. \$2,690 due serially from 2001 to 2002, with interest rates of 6.3% to 6.4%; \$5,455 term bonds due April 1, 2014, with interest at 7.125%; \$14,124 term capital appreciation bonds, including \$6,633 accreted discount, due April 1, 2030, with a yield rate of 7.5%.	22,269
1992 First Series dated March 1, 1992. \$3,065 due serially from 2001 to 2005, with interest rates of 6.05% to 6.5%; \$1,835 term bonds due April 1, 2011, with interest at 6.75%.	4,900
1992 Second Series dated March 1, 1992. \$15,820 due serially from 2001 to 2005, with interest rates of 6.30% to 6.75%; \$5,635 term bonds due April 1, 2011, with interest at 6.95%.	21,455
1992 Third Series dated March 26, 1992 and remarketed on January 14, 1993. \$8,630 term bonds due April 1, 2017, with interest at 6.55%.	8,630
1992 Fourth Series dated March 26, 1992 and remarketed on January 14, 1993. \$6,910 term bonds due April 1, 2022, with interest at 6.8%.	6,910
1992 Fifth Series dated June 1, 1992. \$4,495 term bonds due April 1, 2012, with interest at 6.6%.	4,495
1992 Sixth Series dated June 1, 1992. \$5,885 due serially from 2001 to 2005, with interest rates of 6.15% to 6.50%; \$7,635 term bonds due April 1, 2010, with interest at 6.75%; \$37,915 term bonds due April 1, 2024, with interest at 6.80%.	51,435
1992 Seventh Series dated June 25, 1992 and remarketed on January 14, 1993. \$4,630 term bonds due April 1, 2012, with interest at 6.45%.	4,630
1992 Eighth Series dated June 25, 1992 and remarketed on January 14, 1993. \$3,350 due serially from 2001 to 2005, with interest rates of 5.7% to 6.2%; \$2,145 term bonds due April 1, 2008, with interest at 6.5%; \$21,155 term bonds due April 1, 2024, with interest at 6.8%.	26,650

1993 Third Series dated October 1, 1993. \$31,960 due serially from 2001 to 2010, with interest rates of 4.45% to 5.25%; \$8,270 term bonds due April 1, 2012, with interest at 5.30%; \$16,030 term bonds due April 1, 2016, with interest at 4.85%.	\$ 56,260
1994 First Series dated March 1, 1994. \$13,370 due serially from 2001 to 2004, with interest rates of 5.0% to 5.3%; \$21,200 term bonds due April 1, 2009, with interest at 5.8%; \$3,240 term bonds due April 1, 2011, with interest at 5.9%; \$8,356 term bonds, net of unamortized discount of \$79, due April 1, 2014, with interest at 5.8%; \$22,310 term bonds due April 1, 2017, with interest at 5.7%.	68,476
1994 Fourth Series dated May 1, 1994. \$16,620 due serially from 2002 to 2008, with interest rates of 5.55% to 6.15%; \$9,835 term bonds due April 1, 2011, with interest at 6.35%; \$11,840 term bonds due April 1, 2014, with interest at 6.45%.	38,295
1994 Fifth Series dated May 1, 1994. \$2,435 due serially from 2001 to 2002, with interest rates of 5.6% to 5.7%; \$4,895 term bonds due April 1, 2019, with interest at 6.125%; \$51,615 term bonds due April 1, 2026, with interest at 6.75%.	58,945
1994 Sixth Series dated December 1, 1994. \$7,105 due serially from 2001 to 2005, with interest rates of 5.90% to 6.30%; \$7,475 term bonds due April 1, 2009, with interest at 6.55%; \$8,950 due April 1, 2014, with interest at 7%; \$7,135 term bonds due April 1, 2017, with interest at 7.05%.	30,665
1994 Seventh Series dated December 1, 1994. \$5,640 term bonds due April 1, 2019, with interest at 7.25%; \$4,480 due April 1, 2024, with interest at 6.90%; \$17,980 term bonds due April 1, 2025, with interest at 7.30%.	28,100
1994 Ninth Series dated December 22, 1994, and remarketed on November 9, 1995. \$6,095 due serially from 2001 to 2008, with interest rates of 4.80% to 5.6%; \$6,765 term bonds due April 1, 2014, with interest at 6.05%; \$7,810 term bonds due April 1, 2019, with interest at 6.15%.	20,670
1995 First Series dated March 1, 1995. \$18,135 due serially from 2001 to 2009, with interest rates of 5.15% to 5.95%; \$12,165 term bonds due April 1, 2014, with interest at 6.20%; \$9,285 due April 1, 2017, with interest at 6.25%.	39,585
1995 Second Series dated March 1, 1995. \$1,245 term bonds due April 1, 2017, with interest at 6.45%; \$3,475 due April 1, 2025, with interest at 6.0%; \$38,910 term bonds due April 1, 2026, with interest at 6.55%.	43,630
1995 Third Series dated June 1, 1995. \$13,665 due serially from 2001 to 2010, with interest rates of 5.05% to 6.00%; \$8,020 term bonds due April 1, 2014, with interest at 6.15%; \$7,410 due April 1, 2017, with interest at 6.20%; \$3,960 term bonds due April 1, 2026, with interest at 6.25%; \$31,755 term bonds due April 1, 2027, with interest at 6.25%.	64,810
1995 Fourth Series dated October 1, 1995. \$5,790 term bonds due April 1, 2017, with interest at 6.0%.	5,790
1995 Fifth Series dated October 1, 1995. \$5,330 due serially from 2001 to 2008, with interest rates of 4.80% to 5.6%; \$2,645 term bonds due April 1, 2011, with interest at 5.9%; \$2,700 term bonds due April 1, 2019, with interest at 6.15%; \$500 term bonds due April 1, 2020, with interest at 6.15%; \$10,450 term bonds due April 1, 2024, with interest at 6.2%; \$6,020 term bonds due April 1, 2027, with interest at 6.2%.	27,645

1996 Third Series dated July 1, 1996. \$6,725 due serially from 2001 to 2010, with interest rates of 4.9% to 5.8%; \$3,925 term bonds due April 1, 2014, with interest at 6.2%; \$1,815 term bonds due April 1, 2017, with interest at 6.25%.	\$ 12,465
1996 Fourth Series dated July 1, 1996. \$1,655 due serially from 2001 to 2010, with interest rates of 5.05% to 5.95%; \$2,440 term bonds due April 1, 2015, with interest at 6.35%; \$420 term bonds due April 1, 2020, with interest at 6.4%; \$6,700 term bonds due April 1, 2020, with interest at 6.4%; \$9,285 term bonds due April 1, 2028, with interest at 6.45%; \$8,680 term bonds due April 1, 2028, with interest at 6.45%.	29,180
1996 Fifth Series dated August 1, 1996. \$10,395 due serially from 2002 to 2008, with interest rates of 4.8% to 5.4%; \$20,005 term bonds due April 1, 2016, with interest at 5.95%.	30,400
1996 Sixth Series dated August 1, 1996. \$1,880 due serially from 2001 to 2002, with interest rates of 4.75% to 4.9%; \$11,090 term bonds due April 1, 2022, with interest at 6.2%; \$8,405 term bonds due April 1, 2026, with interest at 6.25%; \$3,805 term bonds due April 1, 2028, with interest at 6.25%.	25,180
1997 First Series dated August 1, 1997. \$46,317 due serially, net of \$97 unamortized premium, from 2001 to 2008, with interest rates of 4.45% to 5.05%; \$70,320 term bonds due April 1, 2018, with interest at 5.60%.	116,637
1999 First Series dated December 1, 1998. \$5,300 due serially from 2001 to 2010, with interest rates of 3.8% to 4.7%; \$6,420 term bonds due April 1, 2018, with interest at 5.15%; \$5,000 term bonds due April 1, 2028, with interest at 5.25%; \$7,640 term bonds due April 1, 2029, with interest at 5.25%.	24,360
1999 Second Series dated December 1, 1998. \$26,615 due serially from 2009 to 2013, with interest rates of 4.4% to 4.8%; \$26,590 term bonds due April 1, 2017, with interest at 5.0%.	53,205
1999 Third Series dated December 1, 1998. \$31,330 due serially from 2001 to 2010, with interest rates of 3.8% to 4.7%; \$28,300 term bonds due April 1, 2020, with interest at 4.45%; \$33,400 term bonds due April 1, 2021, with interest at 5.125%.	93,030
2000 First Series dated March 1, 2000. \$22,150 due serially from 2001 to 2013, with interest rates of 4.25% to 5.6%; \$4,935 term bonds due April 1, 2015, with interest at 5.7%; \$5,515 term bonds due April 1, 2017, with interest at 5.8%; net of deferred issuance costs and call premium on refunded bond of \$973.	31,627
Total Single-Family Program Fund	<u>\$ 1,210,531</u>

### Multi-Family Housing Revenue Bond Program Fund

1985 Series B dated June 1, 1985. \$563 capital appreciation bonds, including accreted discount of \$439, due May 15, 2017, with a yield rate of 10.375%.	\$	563
1989 Series B dated April 1, 1989. \$55 due serially from 2001 to 2004, with interest rates of 7.30% to 7.35%; \$90 term bonds due May 15, 2009, with interest at 7.5%; \$375 term bonds due May 15, 2021, with interest at 7.625%.		520
1990 Series A dated June 1, 1990. \$905 term bonds due May 15, 2010, with interest at 7.7%; \$6,425 term bonds due May 15, 2032, with interest at 7.8%.		7,330
1990 Series B dated June 1, 1990. \$1,905 term bonds due May 15, 2022, mandatory sinking fund requirements and interest at 10.05%.		1,905
1990 Series D dated November 1, 1990. \$2,990 due serially from 2001 to 2005, with interest rates of 6.95% to 7.35%; \$2,848 term capital appreciation bonds, including \$1,499 accreted discount, due May 15, 2032 with a yield rate of 8.0%; \$4,275 term bonds due May 15, 2010, with interest at 7.55%; \$15,205 term bonds due May 15, 2020, with interest at 7.7%.		25,318
1991 Series A dated May 1, 1991. \$40 due serially to 2001, with interest rate of 6.50%; \$615 term bonds due May 15, 2011, with interest at 7.1%; \$1,405 term bonds due May 15, 2022, with interest at 7.2%.		2,060
1991 Series B dated May 1, 1991. \$175 term bonds due May 15, 2011, with interest at 7.35%; \$329 term bonds, net of \$1 unamortized discount, due May 15, 2021, with interest at 7.375%.		504
1991 Series D dated May 1, 1991. \$3,230 term bonds due May 15, 2022, with mandatory sinking fund requirements and interest at 9.75%.		3,230
1991 Series E dated August 1, 1991. \$1,955 due serially from 2001 to 2006, with interest rates of 6.35% to 6.85%; \$2,335 term bonds due May 15, 2011, with interest at 7.0%; \$6,005 term bonds due May 15, 2028, with interest at 7.1%.		10,295
1991 Series G dated August 1, 1991. \$30 term bonds due May 15, 2001, with interest at 6.35%; \$170 term bonds due May 15, 2006, with interest at 6.85%; \$255 term bonds due May 15, 2011, with interest at 7.0%; \$840 term bonds due May 15, 2023, with interest at 7.1%.		1,295
1991 Series H dated August 1, 1991. \$4,790 term bonds due May 15, 2033, with interest at 9.6%.		4,790
1992 Series A dated January 1, 1992. \$980 due serially from 2001 to 2005, with interest rates of 6.0% to 6.4%; \$2,030 term bonds due May 15, 2012, with interest at 6.7%; \$10,295 term bonds due May 15, 2033, with interest at 6.85%.		13,305
1992 Series B dated January 1, 1992. \$85 term bonds due May 15, 2002, with interest at 5.9%; \$210 term bonds due May 15, 2006, with interest at 6.25%; \$420 term bonds due May 15, 2012, with interest at 6.5%; \$1,100 term bonds due May 15, 2022, with interest at 6.625%.		1,815
1992 Series C dated January 1, 1992. \$6,200 term bonds due May 15, 2033, with interest at 9.05%.		6,200

1992 Series D dated May 1, 1992. \$895 due serially from 2001 to 2005, with interest at 6.0% to 6.35%; \$1,830 term bonds due May 15, 2012, with interest at 6.6%; \$8,225 term bonds due May 15, 2027, with interest at 6.7%.	\$ 10,950
1992 Series E dated May 1, 1992. \$65 due serially from 2001 to 2005, with interest at 6.0% to 6.35%; \$60 term bonds due May 15, 2009, with interest at 6.6%; \$1,000 term bonds due May 15, 2033, with interest at 6.75%.	1,125
1992 Series F dated May 1, 1992. \$810 term bonds due May 15, 2008, with mandatory sinking fund requirements and interest at 8.375%; \$995 term bonds due May 15, 2012, with interest at 8.75%; \$5,360 term bonds due May 15, 2024, with interest at 9.35%.	7,165
1992 Series G dated July 1, 1992. \$7,385 term bonds due May 15, 2019, with interest at 6.55%.	7,385
1993 Series A dated December 1, 1992. \$565 due serially from 2001 to 2005, with interest rates of 5.45% to 5.95%; \$1,345 term bonds due May 15, 2013, with interest at 6.5%; \$1,920 term bonds due May 15, 2023, with interest at 6.625%.	3,830
1993 Series B dated December 1, 1992. \$2,800 due serially from 2001 to 2005, with interest rates of 5.45% to 5.95%; \$6,665 term bonds due May 15, 2013, with interest at 6.5%; \$10,250 term bonds due May 15, 2023, with interest at 6.625%; \$1,970 term bonds due May 15, 2034, with interest at 6.65%.	21,685
1993 Series C dated December 1, 1992. \$7,610 term bonds due May 15, 2024, with interest at 8.95%.	7,610
1993 Series D dated March 1, 1993. \$12,715 due serially from 2001 to 2007, with interest rates of 5.0% to 5.6%; \$15,530 term bonds due May 15, 2013, with interest at 5.95%; \$19,970 term bonds due May 15, 2024, with interest at 6.05%.	48,215
1993 Series E dated March 1, 1993. \$285 due serially from 2001 to 2007, with interest rates of 5.0% to 5.6%; \$350 term bonds due May 15, 2013, with interest at 5.95%; \$935 term bonds due May 15, 2023, with interest at 6.05%; \$720 term bonds due May 15, 2028, with interest at 6.05%.	2,290
1993 Series F dated March 1, 1993. \$890 due serially from 2001 to 2007, with interest rates of 5.0% to 5.6%; \$1,095 term bonds due May 15, 2013, with interest at 5.95%; \$1,865 term bonds due May 15, 2020, with interest at 6.05%.	3,850
1993 Series G dated March 1, 1993. \$1,880 term bonds due May 15, 2024, with interest at 8.375%.	1,880
1993 Series H dated August 1, 1993. \$3,810 due serially from 2001 to 2007, with interest rates of 4.6% to 5.20%; \$4,525 term bonds due May 15, 2013, with interest at 5.45%; \$12,815 term bonds due May 15, 2026, with interest at 5.60%.	21,150
1993 Series I dated August 1, 1993. \$70 term bonds due May 15, 2002, with interest at 4.70%; \$190 term bonds due May 15, 2007, with interest at 5.20%; \$310 term bonds due May 15, 2013, with interest at 5.45%; \$720 term bonds due May 15, 2023, with interest at 5.60%.	1,290
1993 Series J dated August 1, 1993. \$95 term bonds due May 15, 2002, with interest at 4.80%; \$275 term bonds due May 15, 2007, with interest at 5.30%; \$450 term bonds due May 15, 2013, with interest at 5.60%; \$1,330 term bonds due May 15, 2024, with interest at 5.75%.	2,150

1993 Series K dated August 1, 1993. \$859 term bonds, net of unamortized discount of \$1, due May 15, 2004, with interest at 6.55%.	\$ 859
1994 Series A dated February 1, 1994. \$150 term bonds due May 15, 2004, with interest at 4.65%; \$230 term bonds due May 15, 2009, with interest at 5.15%; \$300 term bonds due May 15, 2014, with interest at 5.35%; \$905 term bonds due May 15, 2024, with interest at 5.45%.	1,585
1994 Series B dated February 1, 1994. \$2,155 term bonds due May 15, 2009, with interest at 6.80%; \$9,735 term bonds due May 15, 2025, with interest at 7.90%.	11,890
1994 Series C dated September 1, 1994. \$1,260 due serially from 2001 to 2008, with interest rates of 5.4% to 6.15%; \$1,435 term bonds due May 15, 2014, with interest at 6.5%; \$4,590 term bonds due May 15, 2025, with interest at 6.65%; \$4,000 term bonds due May 15, 2036, with interest at 6.75%.	11,285
1994 Series D dated September 1, 1994. \$445 due serially from 2001 to 2008, with interest rates of 5.4% to 6.15%; \$440 term bonds due May 15, 2014, with interest at 6.5%; \$1,360 term bonds due May 15, 2025, with interest at 6.65%.	2,245
1994 Series E dated September 1, 1994. \$2,055 due serially from 2001 to 2008, with interest rates of 5.55% to 6.3%; \$2,350 term bonds due May 15, 2014, with interest at 6.7%; \$7,640 term bonds due May 15, 2025, with interest at 6.85%.	12,045
1994 Series F dated September 1, 1994. \$805 term bonds due May 15, 2004, with interest at 8.45%; \$1,860 term bonds due May 15, 2010, with interest at 9.10%; \$2,495 term bonds due May 15, 2015, with interest at 9.30%; \$4,620 term bonds due May 15, 2021, with interest at 9.45%; \$4,695 term bonds due May 15, 2026, with interest at 9.55%.	14,475
1995 Series A dated April 1, 1995. \$1,680 due serially from 2001 to 2010, with interest rates of 5.05% to 5.90%; \$1,275 term bonds due May 15, 2015, with interest at 6.30%; \$2,150 term bonds due May 15, 2021, with interest at 6.50%; \$1,965 term bonds due May 15, 2025, with interest at 6.55%; \$8,915 term bonds due May 15, 2036, with interest at 6.7%.	15,985
1995 Series B dated December 1, 1995. \$2,075 due serially from 2001 to 2008, with interest rates of 4.45% to 5.3%; \$2,665 term bonds due May 15, 2015, with interest at 5.65%; \$6,145 term bonds due May 15, 2026, with interest at 5.8%.	10,885
1995 Series C dated December 1, 1995. \$290 due serially from 2001 to 2008, with interest rates of 4.45% to 5.3%; \$375 term bonds due May 15, 2015, with interest at 5.65%; \$1,085 term bonds due May 15, 2026, with interest at 5.8%.	1,750
1995 Series D dated December 1, 1995. \$395 due serially from 2001 to 2008, with interest rates of 4.65% to 5.5%; \$510 term bonds due May 15, 2015, with interest at 5.8%; \$1,535 term bonds due May 15, 2027, with interest at 5.9%.	2,440

1998 Series A dated November 1, 1998. \$4,530 due serially from 2001 to 2013, with interest rates of 3.75% to 4.85%; \$2,540 term bonds due May 15, 2018, with interest at 5.05%; \$5,930 term bonds due May 15, 2029, with interest at 5.15%.	\$ 13,000
1998 Series B dated November 1, 1998. \$2,365 due serially from 2001 to 2009, with interest rates of 3.85% to 4.55%; \$3,345 term bonds due May 15, 2018, with interest at 5.15%; \$2,675 term bonds due May 15, 2028, with interest at 5.25%.	8,385
Total Multi-Family Housing Revenue Bond Program Fund	<u>\$ 326,534</u>

### Housing Revenue Bond Program Fund

Series 1996 A dated November 1, 1996. \$36,035 due serially from 2000 to 2008, with interest rates of 4.3% to 5.3%; \$8,135 term bonds due January 1, 2010, with interest at 5.5%; \$1,245 term bonds due January 1, 2016, with interest at 5.8%; \$39,930 term bonds due July 1, 2016, with interest at 5.875%; \$17,590 term bonds due July 1, 2023, with interest at 5.95%.	\$ 102,935
Series 1996 B dated November 1, 1996. \$480 due serially from 2000 to 2008, with interest rates of 4.3% to 5.3%; \$640 term bonds due July 1, 2016, with interest at 5.875%; \$1,345 term bonds due July 1, 2028, with interest at 5.95%.	2,465
Series 1997 A dated June 1, 1997. \$3,070 due serially from 2000 to 2009, with interest rates of 4.30% to 5.20%; \$4,200 term bonds due July 1, 2017, with interest at 5.70%; \$9,110 term bonds due July 1, 2027, with interest at 5.85%; \$20,600 term bonds due July 1, 2039, with interest at 6.00%.	36,980
Series 1997 B dated September 1, 1997. \$650 due serially from 2000 to 2009, with interest rates of 4.15% to 5.00%; \$860 term bonds due July 1, 2017, with interest at 5.55%; \$1,850 term bonds due July 1, 2027, with interest at 5.65%; \$4,300 term bonds due July 1, 2039, with interest at 5.75%.	7,660
Series 1997 C dated December 1, 1997. \$1,390 due serially from 2000 to 2010, with interest rates of 4.00% to 5.00%; \$1,465 term bonds due July 1, 2017, with interest at 5.45%; \$1,140 term bonds due July 1, 2021, with interest at 5.5%; \$2,300 term bonds due July 1, 2027, with interest at 5.55%; \$7,730 term bonds due July 1, 2039, with interest at 5.65%.	14,025
Series 1998 A dated April 1, 1998. \$1,920 due serially from 2000 to 2015, with interest rates of 4.00% to 5.30%; \$1,020 term bonds due July 1, 2020, with interest at 5.45%; \$3,090 term bonds due July 1, 2030, with interest at 5.50%; \$5,000 term bonds due January 1, 2040, with interest at 5.625%.	11,030
Series 1999 A dated February 1, 1999. \$1,820 due serially from 2002 to 2012, with interest rates of 3.7% to 4.7%; \$1,475 term bonds due July 1, 2018, with interest at 5.05%; \$1,655 term bonds due July 1, 2023, with interest at 5.1%; \$2,165 term bonds due July 1, 2028, with interest at 5.15%; \$1,610 term bonds due July 1, 2031, with interest at 5.2%; \$7,620 term bonds due July 1, 2041, with interest at 5.35%.	16,345

Series 1999 B dated October 15, 1999. \$2,810 due serially from 2000 to 2014, with interest rate of 4.15% to 5.85%; \$2,150 term bonds due January 1, 2021, with interest at 6.15%; \$4,270 term bonds due July 1, 2029, with interest at 6.25%; \$1,945 term bonds due July 1, 2032, with interest at 6.25%; \$4,575 term bonds due January 1, 2042, with interest at 6.4%; \$90 term bonds due July 1, 2042, with interest at 6.4%.	\$ 15,840
Series 1999 C dated October 15, 1999. \$60 term bonds due July 1, 2014, with interest at 5.85%; \$60 term bonds due January 1, 2021, with interest at 6.15%; \$185 term bonds due July 1, 2032, with interest at 6.25%; \$215 term bonds due July 1, 2040, with interest at 6.4%.	520
Series 1999 D dated December 1, 1999. \$2,975 due serially from 2000 to 2009, with interest rates of 4.15% to 5.40%; \$1,900 term bonds due July 1, 2013, with interest at 5.9%; \$3,995 term bonds due July 1, 2023, with interest at 6.2%; \$1,685 term bonds due July 1, 2030, with interest at 6.25%; \$1,010 term bonds due July 1, 2031, with interest at 6.25%; \$3,000 term bonds due July 1, 2042, with interest at 6.35%.	<u>14,565</u>
Total Housing Revenue Bond Program Fund	<u>\$ 222,365</u>

**Residential Revenue Bond Program Fund**

1997 Series A dated August 1, 1997. \$17,325 term bonds due March 1, 2017, with interest at 5.60%.	\$ 17,325
1997 Series B dated August 1, 1997. \$16,955 due serially from 2000 to 2009, with interest rates of 4.40% to 5.25%; \$8,765 term bonds due September 1, 2019, with interest at 5.05%; \$26,975 term bonds due September 1, 2025, with interest at 5.875%; \$26,360 term bonds due September 1, 2029, with interest at 5.875%.	79,055
1998 Series A dated January 1, 1998. \$2,445 due serially from 2010 to 2014, with interest rates of 4.70% to 5.00%; \$2,195 term bonds due September 1, 2017, with interest at 5.05%.	4,640
1998 Series B dated January 1, 1998. \$17,959 due serially, net of \$69 unamortized premium, from 2000 to 2012, with interest rates of 3.95% to 5.00%; \$10,200 term bonds due September 1, 2018, with interest at 4.50%; \$16,470 term bonds due September 1, 2023, with interest at 5.30%; \$11,815 term bonds due March 1, 2030, with interest at 5.35%; \$17,525 term bonds due September 1, 2030, with interest at 5.35%.	73,969
1998 Series D dated December 1, 1998. \$12,850 due serially from 2001 to 2010, with interest rates of 3.8% to 4.65%; \$14,460 term bonds due March 1, 2018, with interest at 5.15%; \$11,600 term bonds due September 1, 2022, with interest at 4.5%; \$2,945 term bonds due March 1, 2029, with interest at 5.25%; \$20,535 term bonds due September 1, 2029, with interest at 5.25%.	62,390
1999 Series C dated May 1, 1999. \$915 due serially from 2011 to 2012, with interest rates of 4.7% to 4.8%; \$1,750 term bonds due September 1, 2015, with interest at 4.95%.	2,665

1999 Series D dated May 1, 1999. \$10,855 due serially from 2001 to 2012, with interest rates of 3.7% to 5.0%; \$9,955 term bonds due September 1, 2019, with interest at 5.25%; \$12,175 term bonds due September 1, 2024, with interest at 5.375%; \$10,000 term bonds due March 1, 2028, with interest at 4.8%; \$7,975 term bonds due March 1, 2031, with interest at 5.4%; \$6,291 term bonds, net of unamortized discount of \$44, due September 1, 2031, with interest at 5.4%.	\$ 57,251
1999 Series E dated August 1, 1999. \$14,745 due serially from 2005 to 2013, with interest rates of 4.6% to 5.45%; \$8,035 term bonds due September 1, 2017, with interest at 5.7%.	22,780
1999 Series F dated August 1, 1999. \$3,660 due serially from 2002 to 2004, with interest rates of 4.5% to 4.7%; \$6,470 term bonds due September 1, 2019, with interest at 5.9%; \$12,520 term bonds due September 1, 2023, with interest at 5.375%; \$24,425 term bonds due September 1, 2029, with interest at 5.95%; \$10,135 term bonds due September 1, 2031, with interest at 5.95%.	57,210
1999 Series G dated August 31, 1999. \$76,585 bonds due August 30, 2000, with interest rate of 3.65%.	76,585
1999 Series H dated December 1, 1999. \$11,780 due serially from 2002 to 2012, with interest rates of 4.6% to 5.65%; \$8,275 term bonds due September 1, 2017, with interest at 6.0%; \$6,285 term bonds due September 1, 2020, with interest at 6.125%; \$13,255 term bonds due September 1, 2025, with interest at 6.15%; \$4,981 term bonds net of unamortized discount of \$19 due March 1, 2027, with interest at 6.2%; \$10,405 term bonds due March 1, 2031, with interest at 6.25%; \$5,000 term bonds due March 1, 2031, with interest at 6.25%.	59,981
1999 Series I dated December 15, 1999. \$30,000 bonds due December 14, 2000, with interest rate of 4.05%.	30,000
2000 Series A dated March 1, 2000. \$7,965 due serially from 2007 to 2012, with interest rates of 5.15% to 5.5%.	7,965
2000 Series B dated March 1, 2000. \$6,335 due serially from 2002 to 2007, with interest rates of 4.8% to 5.35%; \$17,675 term bonds due September 1, 2020, with interest at 6.05%; \$13,500 term bonds due September 1, 2025, with interest at 5.55%; \$5,000 term bonds due September 1, 2031, with interest at 6.15%; \$29,525 term bonds due September 1, 2032, with interest at 6.15%.	72,035
2000 Series C dated June 1, 2000. \$6,090 due serially from 2010 to 2013, with interest rates of 5.45% to 5.7%.	6,090
2000 Series D dated June 1, 2000. \$9,810 due serially from 2002 to 2010, with interest rates of 5.1% to 5.7%; \$15,705 term bonds due September 1, 2020, with interest at 6.2%; \$48,395 term bonds due September 1, 2032, with interest at 6.25%.	73,910
2000 Series E dated June 14, 2000. \$58,185 bonds due June 14, 2001, with interest rate of 4.7%.	58,185
Total Residential Revenue Bond Program Fund	<u>\$ 762,036</u>

As of June 30, 2000, the required principal payments including mandatory sinking fund payments for each of the next five years are as follows:

	<b>For the year ended June 30,</b>				
	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>
Single-Family Program Fund	\$ 33,045	\$ 34,505	\$ 37,505	\$ 39,305	\$ 41,420
Multi-Family Housing Revenue Bond Program Fund	6,640	7,065	7,460	7,870	8,070
Housing Revenue Bond Program Fund	4,205	4,610	5,085	5,340	5,635
Residential Revenue Bond Program Fund	167,970	3,980	8,865	9,285	9,720

All outstanding bonds are subject to redemption at the option of the CDA, as a whole at any time after certain dates or in part on any interest payment date, as specified in the respective series certificates. The prescribed redemption prices range from 100% to 102% of the principal amount.

#### **6. Redemption of bonds and extraordinary item:**

The provisions of the various note and bond certificates require or allow for the redemption of bonds through the use of unexpended bond proceeds and excess funds accumulated primarily through prepayment of mortgage loans. During the year, CDA redeemed bonds in the following series:

##### **Single-Family Program Fund**

- 1988 Third Series
- 1990 First Series
- 1990 Fourth Series
- 1990 Fifth Series
- 1991 Second Series
- 1991 Fourth Series
- 1991 Sixth Series
- 1992 Second Series
- 1992 Fourth Series
- 1992 Sixth Series
- 1992 Eighth Series
- 1993 Third Series
- 1994 First Series
- 1994 Fifth Series
- 1994 Seventh Series
- 1995 Second Series
- 1995 Third Series
- 1995 Fifth Series
- 1996 Fourth Series

- 1996 Sixth Series
- 1997 First Series
- 1999 First Series
- 1999 Third Series

#### **Multi-Family Housing Revenue Bond Program Fund**

- 1989 Series A
- 1989 Series B
- 1990 Series C
- 1991 Series F
- 1992 Series A
- 1993 Series A
- 1993 Series C

#### **Housing Revenue Bond Program Fund**

- Series 1996 A

#### **Residential Revenue Bond Program Fund**

- 1997 Series B
- 1998 Series B
- 1998 Series D
- 1999 Series A
- 1999 Series B
- 1999 Series D
- 1999 Series F

Certain refundings of debt are due to the prepayments of mortgage loans. In these cases, CDA transfers the proceeds of the refunding bonds into a redemption account to redeem previously issued bonds and, simultaneously, transfers the prepayments of single-family mortgage loans financed by these prior bonds to the refunding bonds' accounts for the purpose of originating new loans. This recycling of prepayments enables CDA to originate new loans that are not subject to the limitations of the IRS volume cap. CDA does not pay call premiums on these special redemptions, and the refundings are not undertaken to reduce interest rates, revise payment schedules or modify restrictions. CDA writes off any unamortized deferred issuance costs or original issue discounts, net of unamortized original issue premiums, as an extraordinary loss in the accompanying statements of revenues, expenses and changes in fund equity.

For current refundings of debt in an optional redemption, CDA replaces previously issued bonds with lower cost debt. In these cases, CDA defers the difference between the reacquisition price (i.e., the principal of the old debt, plus the call premium) and the net carrying amount of the old debt (i.e., the amount due at maturity, adjusted for any unamortized premium or discount and issuance costs related to the old debt) as an offset to the new bonds on the accompanying balance sheets, in accordance with GASB No. 23, "Accounting and Financial Reporting for Refunding of Debt Reported by Proprietary Activities." This deferral is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter.

## 7. Commitments and contingencies:

CDA has issued the following bonds that are not included in the financial statements of the Funds:

	<u>Amount issued</u>	<u>Outstanding at June 30, 2000</u>
Multi-Family Development Revenue Bonds		
1990 Issue A (College Estates)	\$ 6,750	\$ 6,350
1990 Issue B (Middle Branch Manor)	12,350	11,600
1990 Issue C (Harbor City Townhomes)	4,150	3,850
Series 1998 A (Auburn Manor)	11,000	10,840
Series 1998 A (Lexington Terrace)	11,100	11,100
Series 1998 B (Lexington Terrace)	3,900	3,900
Series 1999 A (GNMA-Selborne House)	2,150	2,150
Series 1999 B (Selborne House)	750	750
Multi-Family Development Revenue Refunding Bonds		
Series 1997 (Avalon Ridge Apartments)	26,815	26,815
Series 1997 (Avalon Lea Apartments)	16,835	16,835
Series 1999 C (Westfield/Greens)	9,200	9,200
Mortgage Revenue Obligations First Series (Storchwoods II)	1,544	1,229

All of these bonds are secured solely by the properties and related revenues of the projects and the applicable credit enhancements. No assets of the Funds have been pledged as security for these bonds.

The Multi-Family Development Revenue Bonds Series 1999 B (Selborne House) were redeemed in their entirety on August 1, 2000.

As of June 30, 2000, CDA had excess arbitrage for certain Single-Family Program Bonds and Residential Revenue Bonds which are subject to rebate. It is management's intent to make additional loans within certain of these bond series at interest rates below the permitted bond yield prior to redemption to reduce the potential excess arbitrage subject to rebate. As of June 30, 2000, an estimated liability for the Single-Family Program Bonds and the Residential Revenue Bonds of \$3,170 and \$463, respectively, for potential excess arbitrage subject to rebate has been recorded in accounts payable in the accompanying balance sheet.

## 8. Pension and other postretirement benefits:

Eligible employees of CDA and employees of the State of Maryland are covered under the retirement plans of the State Retirement and Pension System of Maryland (System) and are also entitled to certain healthcare benefits upon retirement. CDA's only liability for retirement and postemployment benefits is its required annual contribution, which it has fully funded during the year ended June 30, 2000. The System prepares a separate audited Comprehensive Annual Financial Report which can be obtained from the State Retirement and Pension System of Maryland, 301 West Preston Street, Baltimore, Maryland 21201.

## 9. Subsequent events:

Subsequent to year-end, CDA issued and redeemed certain bonds within the following funds:

### Single-Family Program

On August 1, 2000, CDA redeemed the following bonds:

1990 Fourth Series	\$	395
1991 Second Series		875
1991 Fourth Series		11,960
1991 Sixth Series		60
1992 Second Series		925
1992 Sixth Series		40
1992 Eighth Series		90
1993 Third Series		4,235
1994 First Series		6,360
1994 Fifth Series		1,200
1994 Seventh Series		765
1995 Second Series		2,000
1995 Third Series		245
1995 Fifth Series		60
1996 Fourth Series		205
1996 Sixth Series		445
1997 First Series		1,610
1999 Third Series		2,040

### Housing Revenue Bonds

On August 24, 2000, CDA redeemed the following bonds:

Series 1996 A	\$	315
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### Residential Revenue Bonds

On August 1, 2000, CDA redeemed the following bonds:

1997 Series B	\$	2,120
1998 Series B		225
1998 Series D		135
1999 Series D		40
1999 Series F		195

On September 7, 2000, CDA issued the following:

2000 Series F	\$	15,190
2000 Series G		64,810

## Community Development Administration Revenue Obligation Funds

### Supplemental disclosure of change in fair value of investments June 30, 2000 (Unaudited)

During fiscal year 1997, CDA adopted the provisions of The Government Accounting Standards Board (GASB) Statement No. 31. This statement requires the financial statements of CDA to reflect investments and mortgage-backed securities at fair value, and the increase or decrease in fair value is included in the statement of revenues, expenses and changes in fund equity.

For investments held by CDA as of June 30, 2000, the following schedule summarizes the differences between fair value and amortized costs attributable for each of these years:

Fiscal Year Period	Single-Family Program Fund	Multi-Family Housing Revenue Bond Program Fund	Housing Revenue Bond Program Fund	Residential Revenue Bond Program Fund	General Bond Reserve Fund	Total (memorandum only)
Cumulative FY 1996 and prior periods	\$ 28,537	\$ 1,972	\$ —	\$ —	\$ 619	\$ 31,128
FY 1997	3,461	415	(352)	—	175	3,699
FY 1998	18,225	3,431	832	—	90	22,578
FY 1999	(14,325)	(2,009)	(407)	—	(191)	(16,932)
FY 2000	(1,536)	(154)	48	(227)	(237)	(2,106)
Cumulative total	<u>\$ 34,362</u>	<u>\$ 3,655</u>	<u>\$ 121</u>	<u>\$ (227)</u>	<u>\$ 456</u>	<u>\$ 38,367</u>

For the year ended June 30, 2000, the \$874 decrease in fair value of investments in the Single-Family Program Fund on the statement of revenues, expenses and changes in fund equity includes unrealized losses on investments of \$1,536 and realized gains on sales of investments during the year of \$662.

For mortgage-backed securities held by CDA as of June 30, 2000, the following schedule summarizes the differences between fair value and cost attributable for each of these years:

Fiscal Year Period	Multi-Family Housing Revenue Bond Program Fund	Housing Revenue Bond Program Fund	Total (memorandum only)
Cumulative FY 1996 and prior periods	\$ —	\$ —	\$ —
FY 1997	—	—	—
FY 1998	—	—	—
FY 1999	—	—	—
FY 2000	(452)	(3,825)	(4,277)
Cumulative total	<u>\$ (452)</u>	<u>\$ (3,825)</u>	<u>\$ (4,277)</u>